

Public Hearing Testimony of

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Commissioner
Department of Labor
Labor and Public Employees Committee
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Good morning, Representative Sanchez, Senator Kushner, Representative Ackert, Senator Sampson, Representative Wilson, Senator Cabrera, and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with written testimony regarding HB 6462: AN ACT CONCERNING THE RECOUPMENT OF STATE COST ATTRIBUTABLE TO LOW-WAGE EMPLOYERS. My name is Danté Bartolomeo, and I am the Commissioner of the Connecticut Department of Labor.

The Connecticut Department of Labor (CTDOL) appreciates that the intent of HB 6462 is to recoup state cost relating to services provided to workers who utilize state resources such as the HUSKY Health program. In the coming days and weeks, myself, along with CTDOL staff, would welcome the opportunity to speak with the proponents of this bill, but at this time I would like to note some concerns with the bill as it is presented before the committee.

HB 6462, as currently written would "require employers with over five hundred employees in the state and franchisors who, combined with their franchisees, collectively employ at least five hundred employees in the state to pay a quarterly fee to the Labor Commissioner based in part on the number of employees of such employer that utilize state resources, including, but not limited to, the HUSKY Health program." Currently, when franchisees report to CTDOL, they do so under different unemployment registration numbers. CTDOL is not able to determine whether a franchisor has, collectively, 500 or more employees in the State of Connecticut. For example, if franchisor has 100 franchisees in Connecticut, and each franchisee in Connecticut contracts for two franchises, those franchises may each have different unemployment registration numbers and report their individual franchises separately. CTDOL has no records that would allow the agency to identify these entities as owned by the same company. Furthermore, even if there were a way for CTDOL to get this information by additional employer reporting, CTDOL is prohibited by federal law from using federal Unemployment Insurance (UI) funding, including staff and technology, for non-UI purposes.

Thank you again for the opportunity to testify, and once again, we would welcome any conversations regarding this bill that the proponents would like to have.